

SOLICITATION/CONTRACT/ORDER FOR COMMERCIAL ITEMS OFFEROR TO COMPLETE BLOCKS 12, 17, 23, 24, & 30				1. REQUISITION NUMBER SC0600-00-0603, Amd. 10		PAGE 1 OF 17		
2. CONTRACT NUMBER		3. AWARD/EFFECTIVE DATE		4. ORDER NUMBER		5. SOLICITATION NUMBER SP0600-00-R-0015-0001		
7. FOR SOLICITATION INFORMATION CALL:		a. NAME Gina Watkins (703) 767-8548, Kathrine Karl (703) 767-8589, or Jeannine Fairly (703) 767-8563			b. TELEPHONE NUMBER (no collect calls) (703) 767-8548/8589/8563		6. SOLICITATION ISSUE DATE 11 February 2000 8. OFFER DUE DATE/ LOCAL TIME 18 February 2000, 1:00 pm	
9. ISSUED BY CODE SCO600 DEFENSE ENERGY SUPPORT CENTER 8725 JOHN J. KINGMAN RD STE 4950 FT BELVOIR VA 22060-6222 BUYER/SYMBOL: Gina Watkins/DESC-AWP (703) 767-8548 Kathrine Karl/DESC-AWP (703) 767-8589 Jeannine Fairly/DESC-AWP (703) 767-8563 FAX: (703) 767-8506 Email: gwatkins@desc.dla.mil Email: kkarl@desc.dla.mil Email: jfairly@desc.dla.mil				10. THIS ACQUISITION IS <input checked="" type="checkbox"/> UNRESTRICTED <input type="checkbox"/> SET ASIDE % FOR <input type="checkbox"/> SMALL BUSINESS <input type="checkbox"/> SMALL DISADV BUSINESS <input type="checkbox"/> 8(A) SIC: SIZE STANDARD:		11. DELIVERY FOR FOB DESTINATION UNLESS BLOCK IS MARKED <input checked="" type="checkbox"/> SEE SCHEDULE		
						12. DISCOUNT TERMS		
						13a. THIS CONTRACT IS RATED ORDER		
						13b. RATING		
15. DELIVER TO CODE				16. ADMINISTERED BY CODE				
See Clause B1.06, Supplies to be Furnished				See Block 9				
17a. CONTRACTOR / OFFEROR CODE		FACILITY CODE		18a. PAYMENT WILL BE MADE BY CODE				
Phone: _____ Fax: _____ E-mail: _____ DUNS: _____ Cage Code: _____ Bidder Code: _____				See Clause G700				
								18b. SUBMIT INVOICES TO ADDRESS SHOWN IN BLOCK 18a. UNLESS BLOCK BELOW IS CHECKED <input type="checkbox"/> SEE ADDENDUM
[] 17b. CHECK IF REMITTANCE IS DIFFERENT AND PUT SUCH ADDRESS IN OFFER								
19. ITEM NO.		20. SCHEDULE OF SUPPLIES/SERVICES		21. QUANTITY		22. UNIT		
23. UNIT PRICE		24. AMOUNT						
*		*See Clause B1.06, SUPPLIES TO BE FURNISHED		*		*		
25. ACCOUNTING AND APPROPRIATION DATA TO BE CITED ON EACH DELIVERY ORDER						26. TOTAL AWARD AMOUNT (For Govt. Use Only)		
[X] 27a. SOLICITATION INCORPORATES BY REFERENCE FAR 52.212-1, 52.212-4. FAR 52.212-3 AND 52.212-5 ARE ATTACHED. ADDENDA [X] ARE [] ARE NOT ATTACHED. [] 27b. CONTRACT/PURCHASE ORDER INCORPORATES BY REFERENCE FAR 52.212-4. FAR 52.212-5 IS ATTACHED. ADDENDA [] ARE [] ARE NOT ATTACHED.								
[X] 28. CONTRACTOR IS REQUIRED TO SIGN THIS DOCUMENT AND RETURN ORIGINAL AND ONE COPY TO THE ISSUING OFFICE. CONTRACTOR AGREES TO FURNISH AND DELIVER ALL ITEMS SET FORTH OR OTHERWISE IDENTIFIED ABOVE AND ON ANY ADDITIONAL SHEETS SUBJECT TO THE TERMS AND CONDITIONS AND CONDITIONS SPECIFIED HEREIN.				[] 29. AWARD OF CONTRACT: REFERENCE YOUR OFFER DATED _____ YOUR OFFER ON SOLICITATION (BLOCK 5), INCLUDING ANY ADDITIONS OR CHANGES WHICH ARE SET FORTH HEREIN, IS ACCEPTED AS TO ITEMS: _____.				
30a. SIGNATURE OF OFFEROR/CONTRACTOR				31a. UNITED STATES OF AMERICA (SIGNATURE OF CONTRACTING OFFICER)				
30b. NAME AND TITLE OF SIGNER (TYPE OR PRINT)		30c. DATE SIGNED		31b. NAME OF CONTRACTING OFFICER (TYPE OR PRINT) ELIZABETH R. PESENTI		31c. DATE SIGNED		
32a. QUANTITY IN COLUMN 21 HAS BEEN <input type="checkbox"/> RECEIVED <input type="checkbox"/> INSPECTED <input type="checkbox"/> ACCEPTED, AND CONFORMS TO THE CONTRACT, EXCEPT AS NOTED				33. SHIP NUMBER		34. VOUCHER NUMBER		
				[] PARTIAL [] FINAL				
32b. SIGNATURE OF AUTHORIZED GOVT. REPRESENTATIVE				32c. DATE		35. AMOUNT VERIFIED CORRECT FOR		
41a. I CERTIFY THIS ACCOUNT IS CORRECT AND PROPER FOR PAYMENT				36. PAYMENT [] COMPLETE [] PARTIAL [] FINAL		37. CHECK NUMBER		
				38. S/R ACCOUNT NUMBER		39. S/R VOUCHER NUMBER		
41b. SIGNATURE AND TITLE OF CERTIFYING OFFICER				41c. DATE		40. PAID BY		
				42a. RECEIVED BY (Print)				
				42b. RECEIVED AT (Location)				
				42c. DATE REC'D (YY/MM/DD)		42d. TOTAL CONTAINERS		

CLAUSE INDEX

NOTE: OSP = FULL TEXT OF CLAUSE CONTAINED IN OFFEROR SUBMISSION PACKAGE
IBR = INCORPORATED BY REFERENCE

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K1.01-10	OFFEROR REPRESENTATIONS AND CERTIFICATIONS - COMMERCIAL ITEMS	(OSP)
K1.05	OFFEROR REPRESENTATIONS AND CERTIFICATIONS - COMMERCIAL ITEMS (NATURAL GAS)	(OSP)
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K5	USE OF ELECTRONIC DATA INTERCHANGE	(OSP)
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List of Attachments:

THE FOLLOWING ATTACHMENTS ARE HEREBY INCORPORATED INTO THIS RFP:

<u>ATTACHMENT</u>	<u>DESCRIPTION</u>	<u>NO. OF PAGES</u>
I.	OFFEROR SUBMISSION PACKAGE	17
II.	TECHNICAL EXPERIENCE FORM	2
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IV.	SOCIOECONOMIC STATEMENT	1
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Addendum #2: Postaward Contract Clauses:

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G700	SUBMISSION OF INVOICES FOR PAYMENT (NATURAL GAS)	13-15
I1.20	CLAUSES INCORPORATED BY REFERENCE (DESC OCT 1999)	15
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Continuation of Standard Form 1449 (Blocks 19-24: The Schedule):

B1.06 SUPPLIES TO BE FURNISHED (NATURAL GAS) (DESC MAR 1998)

(a) The contract quantities shown below are best estimates only of the Government's requirements for the contract period. The Contractor shall furnish all labor, material, tools, equipment, and incidentals to supply and deliver direct supply natural gas as defined in the STATEMENT OF WORK/SPECIFICATIONS clause. Contract performance shall be accomplished in accordance with the terms and conditions of this contract.

(b) As used throughout this contract, **Dth** means dekatherm; **USD** means U.S. Dollars.

(c) The National Stock Number (NSN) that applies to direct supply natural gas is 6830-01-318-5797.

(d) Prices indicated hereunder as firm fixed price are subject to the PRICE COMPONENTS - FIRM FIXED PRICE (NATURAL GAS) clause.

(e) Prices indicated hereunder as fixed price with Economic Price Adjustment are subject to the ECONOMIC PRICE ADJUSTMENT clause.

(f) Orders may be issued in writing, orally, or by written telecommunications.

(g) For multiyear procurements only, offerors must submit an offer for the total quantity of the multiyear requirement.
(DESC 52.207-9F70)

GENERAL NOTES:

Note 1: Glossary of Additional terms and acronyms used throughout the solicitation:

MGQ	Monthly Guaranteed Quantities with Firm Fixed Pricing
EQ	Estimated Quantities with indexed pricing
MDQ	Maximum Daily Quantity
DCQ	Daily Consumption Quantity
FPQ	Estimated, unguaranteed quantities with Firm Fixed Pricing
ADQ	Average Daily Quantity
ADDQ	Average Daily Delivery Quantity

Note 2: WINTER/SUMMER: The Summer months are defined as April through October. The Winter months are defined as November through March.

Note 3: For all supply index prices noted with an asterisk "*", see Clause B700.100, ECONOMIC PRICE ADJUSTMENT -- MARKET PRICE AND TRANSPORTATION.

Note 4: Monthly Lump Sum Demand charges are not acceptable for any line items. Offerors shall calculate any demand charges volumetrically.

Note 5: Offerors are encouraged to make a copy of the blank schedule at Clause B1.06, SUPPLIES TO BE FURNISHED, before submission of initial prices since final price revisions will also be submitted on this schedule, except for changes made in any subsequent amendments.

The following notes apply to Line Item 2040/2240:

Note 1: The installation has a transportation agreement with the pipeline/LDC to utilize the capacity the LDC has for the base. Accordingly, no transportation is needed from the supplier.

Note 2: This solicitation is for delivery during summer months only (April – September). DESC is requesting that offerors offer a seasonal (summer) adjustment factor that includes all applicable supply-related factors.

Note 3: The installation's ordering officer would prefer not to have to provide monthly nominations to the Contractor. If the ordering officer does not provide a monthly nomination by the 25th calendar day of the month preceding the next month's delivery period, then the Contractor shall place its own nomination on behalf of Little Rock, AFB. The Contractor shall use best efforts, including an assessment of weather conditions, historical consumption data and communication with the installation's ordering officer to calculate the next monthly quantity to be nominated. In the event of Contractor nomination, the Contractor's commercially reasonable nomination estimate will constitute the basis against which any applicable swing provision will be applied. Historical consumption data is provided in the table below.

Dekatherms													
Year	Jan	Feb	Mar	Apr	May	Jun	Jul	Aug	Sept	Oct	Nov	Dec	Total
1996	50,305	38,971	37,703	17,468	6,678	5,507	5,166	5,249	5,836	9,472	30,925	38,787	252,066
1997	46,213	37,042	21,577	18,061	7,435	5,364	4,276	4,611	5,937	13,254	31,984	42,873	238,626
1998	38,981	32,010	33,758	11,980	8,868	4,947	5,154	5,320	5,827	9,078	22,816	38,573	217,313
1999	41,808	29,333	31,241	11,204	7,173	6,167	6,087						N/A
	44,327	34,339	31,070	14,678	7,539	5,496	5,170	5,060	5,867	10,601	28,575	40,078	232,800
Note: The dekatherms from Jan 1996 through Sept 1996 were calculated from the Monthly MCF flow x Avg Btu Factor of 1.01175 MMBtu / MCF													

B1.06 SUPPLIES TO BE FURNISHED (NATURAL GAS) (DESC MAR 1998) CONT'D

2040 Little Rock AFB, AR

2040 Direct Supply Natural Gas to be delivered FOB Reliant Energy Transmission, Mainline Transmission Receipt Point **via Assigned Capacity from ARKLA with Supply Management and Billing Services, from April 1, 2000 through September 30, 2000.**

Total Quantity: 44,152 dth

SUPPLY

FIXED PRICE WITH EPA:

Estimated Quantity	Unit Price	Total Estimated Price
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2040AA	SUPPLY INDEX PRICE	44,152	*	*
2040AK	SUMMER ADJUSTMENT FACTOR	44,152	\$ _____	\$ _____

<i>EQ</i>	FOR ULTIMATE DELIVERY TO	<i>MDQ</i>	<i>WINTER FIRM</i>	<i>SUMMER FIRM</i>
204001	Little Rock AFB, Arkansas	2,400	N/A	44,152

2240 Firm Fixed Price Little Rock AFB, AR

2240 Direct Supply Natural Gas to be delivered FOB Reliant Energy Transmission, Mainline Transmission Receipt Point **via Assigned Capacity from ARKLA with Supply Management and Billing Services, from April 1, 2000 through September 30, 2000.**

Total Quantity: 44,152 dth

SUPPLY		Estimated Quantity	Unit Price	Total Estimated Price
FIRM FIXED PRICE:				
2240BA	SUMMER BASE SUPPLY PRICE	26,750	\$ 2.52	\$ 67,410
2240BB	SUMMER ADJUSTMENT FACTOR	26,750	\$ _____	\$ _____

FIXED PRICE WITH EPA:				
2240AA	SUPPLY INDEX PRICE	17,402	*	*
2240AK	SUMMER ADJUSTMENT FACTOR	17,402	\$ _____	\$ _____

<i>MGQ</i>	FOR ULTIMATE DELIVERY TO	<i>MDQ</i>	<i>WINTER FIRM</i>	<i>SUMMER FIRM</i>
224001	Little Rock AFB, Arkansas	N/A	N/A	26,750

<i>EQ</i>	FOR ULTIMATE DELIVERY TO	<i>MDQ</i>	<i>WINTER FIRM</i>	<i>SUMMER FIRM</i>
224001	Little Rock AFB, Arkansas	2,400	N/A	17,402

The following information is provided for Clause **B700.100, ECONOMIC PRICE ADJUSTMENT -- MARKET PRICE AND TRANSPORTATION**, paragraph (f):

(1) The SIP Table is as follows:

I Item No.	II Delivery Point	III Publication/Table	IV Pipeline where SIP is applicable	V Location where SIP is applicable	VI Applicable ceiling provision	VII Supply Index Price
2040/2240	FOB ARKLA Gas Co.	<i>Inside F.E.R.C.'s Gas Market Report, "Prices of Spot Gas Delivered To Pipeline"</i>	Reliant Energy Gas Transmission	East	Alternative I	February 2000 \$2.52

COMMERCIAL ITEM PROVISIONS

**K1.01-10 OFFEROR REPRESENTATIONS AND CERTIFICATIONS - COMMERCIAL ITEMS
(ALTS I/III) (JUN 1999/OCT 1998/JAN 1999)**

OSP

L2.08-2 INSTRUCTIONS TO OFFERORS - COMMERCIAL ITEMS (NATURAL GAS)(DESC MAY 1999)

(a) **STANDARD INDUSTRIAL CLASSIFICATION (SIC) CODE AND SMALL BUSINESS SIZE STANDARD.** The SIC code and small business size standard for this acquisition appear in Block 10 of the solicitation cover sheet (Standard Form (SF) 1449). However, the small business size standard for a concern that submits an offer in its own name, but that proposes to furnish an item it did not itself manufacture, is 500 employees.

(b) **AMENDMENTS TO SOLICITATIONS.** If this solicitation is amended, all terms and conditions that are not amended remain unchanged. Offerors shall acknowledge receipt of any amendment to this solicitation by the date and time specified in the amendment(s).

(c) **SUBMISSION, MODIFICATION, REVISION, AND WITHDRAWAL OF OFFERS.**

(1) Offers in response to this solicitation shall be submitted to the following address:

**ATTN: DESC-CPC ROOM 3729
DEFENSE ENERGY SUPPORT CENTER
8725 JOHN J KINGMAN ROAD SUITE 4950
FORT BELVOIR VA 22060-6222**

(2) Offers in response to this solicitation must be received prior to the solicitation closing date.

(3) Proposals submitted in response to this solicitation shall be in English and in U.S. dollars.

(4) Offers that fail to furnish required signatures, representations information, or that reject any of the terms, conditions, and provisions of the solicitation may be excluded from consideration.

(5) **INITIAL OFFERS.** Offerors must submit initial offers via mail or handcarry the proposal in response to this solicitation. Facsimile initial offers will be accepted (*refer to instructions on DD Form 1707*). The initial offer must consist of all of the proposal elements outlined in (9) below.

(6) **FACSIMILE PROPOSALS.**

(i) **DEFINITION.** Facsimile proposal, as used in this paragraph, means a proposal, revision or modification of a proposal, or withdrawal of a proposal that is transmitted to and received by the Government via facsimile machine.

(ii) The Government reserves the right to make award solely on the facsimile offer. However, if requested to do so by the Contracting Officer, the apparently successful offeror(s) agree(s) to promptly submit the complete, original, and signed proposal.

(iii) Facsimile receiving data and compatibility characteristics are as follows:

(A) Telephone number of the receiving facsimile equipment is (703) 767-8506.

(B) The Defense Energy Support Center's receiving equipment is Xerox Telecopier 7033. The receiving speed coincides with the applicable sending machine. Each FAX is required to include the following information on a cover sheet or at the top of the first page:

TO: (Name and office symbol, i.e., Mary Smith, DESC-AW)

FROM: (Originator's name, complete company name and address)

Verification number: (Originator's phone number and FAX number)

Description: (Solicitation number)

Number of pages:

(iv) If any portion of a facsimile proposal received by the Contracting Officer is unreadable to the degree that conformance to the essential requirements of the solicitation cannot be ascertained from the document, then:

(A) The Contracting Officer shall immediately notify the offeror and permit the offeror to resubmit the proposal;

(B) The method and time for resubmission shall be prescribed by the Contracting Officer after consultation with the offeror; and

(C) The resubmission shall be considered as if it were received at the date and time of the original unreadable submission for the purpose of determining timeliness, provided the offeror complies with the time and format requirements for resubmission prescribed by the Contracting Officer.

(7) **PROPOSALS BY MAIL.** Signed and dated offers and modifications thereto may be submitted via paper media in sealed envelopes or packages (i) addressed to the office specified in the solicitation and (ii) showing the time and date specified for receipt, the solicitation number, and the name and address of the offeror. Offers must be received on or before the exact closing date and time specified in this solicitation. Offerors using commercial carriers should ensure that the offer is marked on the outermost wrapper with the information as specified in this subparagraph (7). Offers may be submitted on the SF 1449 or letterhead stationery.

Clause L2.08-2 CONTINUED

(8) **HANDCARRIED OFFERS.** Any handcarried offer must be received at the depository indicated on the SF 1449 of this solicitation by the date and time specified for receipt of offers. Evidence to establish the time of receipt at the Government installation is the time/date stamp of that installation on the solicitation wrapper or other documentary evidence of receipt maintained by the installation.

(9) **PROPOSAL ELEMENTS.** The offeror's proposal must include--

(i) SF 1449, Solicitation, Contract, Order for Commercial Items, with Blocks 17a and b, and 30a through 30c completed. By completing Blocks 30a through 30c, the offeror agrees to the terms and conditions of the RFP, unless exceptions are clearly identified in a cover letter submitted with the initial proposal. Offers signed by an agent shall be accompanied by evidence of that agent's authority, unless that evidence has been previously furnished to the issuing office. NOTE: If the offer is not submitted on the SF 1449, include a statement specifying the extent of agreement with all terms, conditions, and provisions included in the solicitation. Offers that fail to furnish required representations or information or that reject the terms and conditions of the solicitation may be excluded from consideration.

(ii) A completed copy of the representations and certifications in the Offeror Submission Package.

(iii) All documents required by the terms and conditions of the RFP, include all pertinent attachments that require completion and supply commitment letters.

(iv) A Technical Submission to consist of a Technical Experience Form. To substantiate meeting the evaluation criteria of the solicitation, the offeror shall complete the Technical Experience Form (attached to the solicitation). Offerors are required to describe experience in transporting natural gas in performing in performing supply management as described in the SUPPLY MANAGEMENT (NATURAL GAS) clause of this solicitation. Submissions must be in the required format; however they are not limited to the space provided. Only information provided in response to this Technical Experience Form will be evaluated.

(v) Offer prices in the form of adjustment factors must be submitted by filling in the spaces provided in the SUPPLIES TO BE FURNISHED (NATURAL GAS) clause. Please refer to the ECONOMIC PRICE ADJUSTMENT, the PRICE COMPONENTS - FIRM-FIXED PRICE, or the CAPPED PRICING PROVISIONS (NATURAL GAS) clauses for definitions. Note that the Supply Index Price (SIP) and the Base Supply Price for natural gas shall not be included in the offer prices. An offeror must propose to supply the total line item for ultimate delivery to the Government installation/agency identified in the Schedule. Failure to offer the total line item quantity for each item within an aggregate group will preclude Government evaluation and award to the offeror for that aggregate group.

(vi) Names, titles, and telephone and facsimile numbers (and electronic addresses, if available) of persons authorized to negotiate with the Government on the offeror's behalf in connection with this solicitation. The offeror or quoter represents that the following persons are authorized to negotiate on its behalf with the Government in connection with this request for proposals or quotations:

(vii) **PAST PERFORMANCE INFORMATION.** Past performance information to include recent and relevant contracts for the same or similar requirements (include points of contact with telephone numbers). The Contractor shall provide relevant past performance to support demonstrated experience and capabilities relevant to its technical proposal as described in (iv) above. Information collected in Experience with End-Users (Past Performance Form) or past performance data available to the Government may be used in the evaluation of past performance. By submitting the Experience with End-Users documentation, the offeror agrees to permit the Government's representatives to contact the customers listed and inquire about the past performance of the offeror. The offeror will be given an opportunity to address negative past performance information on which the offeror has not previously had an opportunity to comment. The offeror's recent contracts may be examined to ensure that corrective measures have been put in place to prevent the recurrence of past performance problems. Prompt actions taken by the offeror to correct performance problems may be a reflection of management concern for customer satisfaction. However, such action may not mitigate all negative performance trends. Also, describe any past efforts to subcontract with small businesses, HUBZone small businesses small disadvantaged businesses, and women-owned small businesses. Include, for past efforts (within two years of the closing date of this solicitation), a statement identifying highly successful efforts or any regulatory or subcontracting plan noncompliance.

(viii) **SOCIOECONOMIC SUBMISSION.** Provide a description of the efforts to be made to assure that small businesses, HUBZone small businesses, small disadvantaged businesses, and women-owned small businesses will have an equal opportunity to compete for subcontracts under any resultant contract. Describe any partnering arrangements with such companies and include specific names to the extent they are known.

(ix) **EVIDENCE OF RESPONSIBILITY.** In addition to the general responsibility criteria set forth in FAR 9.104--

(A) To be determined responsible, an offeror must possess a minimum of **one year's experience** (within the past two years) providing supply and firm transportation of natural gas under contract(s) of similar quantities and load. If the offeror does not possess at least one year of experience, it **will not be considered for award**. A description of the offeror's experience shall be submitted with the technical/management proposal as described previously.

(B) For firm transportation, the offeror must possess, or demonstrate the ability to obtain, transportation agreements in the company's name as the shipper of record on the pipeline(s) delivering direct supply natural gas to the locations specified in the Schedule. Failure to document the ability to be the shipper of record on the pipeline(s) used in the performance of the contract shall render the offeror nonresponsible.

Clause L2.08-2 CONTINUED

(C) If the offeror intends to use released firm capacity, it must pass the creditworthiness evaluation of the applicable pipeline and show evidence that it has been designated as an authorized replacement shipper. Transportation arrangements whereby the offeror utilizes "off electronic bulletin board" deals are prohibited.

(D) The evidence of responsibility required by (A), (B), and (C) above is in addition to the general responsibility criteria set forth in FAR 9.104. This includes the following:

(a) The Contractor's key personnel shall have sufficient expertise to understand the detailed technical specifications necessary for successful performance of this contract; the Contractor shall employ supervisory personnel experienced in the production and/or transportation of natural gas.

(b) Other than those from a financial or lending institution, letters of credit shall not be used to determine financial responsibility.

(c) The Contractor shall possess supply and transportation agreements for delivery of the natural gas for which offers are submitted (the agreements may be contingent upon award of a contract resulting from this solicitation).

(E) Information substantiating both of the special standards of responsibility, paragraphs (D)(a) and (b) above, shall be submitted with the initial offer in accordance with the Technical Submission guidance of this clause.

(F) In addition, the Government may conduct preaward surveys in accordance with FAR 9.106 and obtain, from available sources, relevant information concerning the offeror's ability to satisfy the responsibility standards stated in this provision and FAR Part 9.

(10) **TABLE OF REQUIRED SUBMISSIONS.** The Contractor is required to submit the number of original documents and copies of proposal elements as detailed in the table below:

PROPOSAL ELEMENTS	LOCATION	ORIGINAL	COPIES
SF 1449 or equivalent alternate document in accordance with paragraph (c)(9)(ii)	Page 1	1	1
Representations and certifications	OSP	1	1
Prices	OSP	1	1
Technical Experience Form	Attachment II	1	1
Past Performance information	Attachment III	1	1
Socioeconomic submission	Attachment IV, See L2.08-2, Para (c)(9)(viii)	1	1

(11) **MODIFICATION OF PROPOSALS.** Offerors may submit modifications to their proposals at any time before the solicitation closing date and time and may submit modifications in response to an amendment or to correct a mistake at any time before award.

(12) **REVISED PROPOSALS.** Offerors may submit revised proposals only if requested or allowed by the Contracting Officer.

(13) **WITHDRAWAL OF PROPOSALS.** Proposals may be withdrawn at any time before award. Withdrawals are effective upon receipt of notice by the Contracting Officer.

(d) PROPOSAL ACCEPTANCE PERIOD.

(1) **Acceptance period**, as used in this provision, means the number of calendar days available to the Government for awarding a contract from the date specified in this solicitation for receipt of proposals.

(2) This provision supersedes any language pertaining to the acceptance period that may appear elsewhere in this solicitation.

(3) The Government requires a minimum acceptance period of 60 calendar days.

(4) If the offeror specifies an acceptance period that is less than that required by the Government, such offer may be rejected.

(5) The offeror agrees to execute all that it has undertaken to do, in compliance with its offer, if such offer is acceptable to the Government and is accepted within the acceptance period stated in (3) above or within any extension thereof that has been agreed to by the offeror.

(e) **LATE OFFERS.** Offers or modifications of offers received at the address specified for receipt of offers after the exact time specified for receipt of offers will not be considered unless it is the only offer received.

(f) CONTRACT AWARD.

(1) The Government intends to award a contract or contracts resulting from this solicitation to the responsible offeror(s) whose proposal(s) represents the best value after evaluation in accordance with the factors and subfactors in the solicitation. The Government is not obligated to award any natural gas requirement where the awarded price, based on an economic analysis, is not expected to provide savings when compared to the LDC.

(2) The Government may reject any or all proposals if such action is in the Government's interest.

(3) The Government may waive informalities and minor irregularities in proposals received.

(4) The Government intends to evaluate proposals and award a contract after conducting discussions with offerors whose proposals have been determined to be within the competitive range. If the Contracting Officer determines that the number of proposals that would otherwise be

Clause L2.08-2 CONTINUED

in the competitive range exceeds the number at which an efficient competition can be conducted, the Contracting Officer may limit the number of proposals in the competitive range to the greatest number that will permit an efficient competition among the most highly rated proposals. Therefore, the offeror's initial proposal should contain the offeror's best terms from a price and technical standpoint.

(5) Exchanges with the offerors after receipt of a proposal do not constitute a rejection or counteroffer by the Government.

(6) Selection for award shall be on a line item by line item basis. More than one award shall not be made for a total line item quantity.

(7) **MULTIPLE AWARDS.** More than one contract award may result from this solicitation. The Government may accept any item or group of items of a proposal, unless the offeror qualifies the proposal by specific limitations. Unless otherwise provided in the Schedule, proposals may not be submitted for quantities less than those specified. The Government reserves the right to make an award on any item for a quantity less than the quantity offered, at the unit prices offered, unless the offeror specifies otherwise in the proposal.

(8) A written award or acceptance of proposal mailed or otherwise furnished to the successful offeror within the time specified in the proposal shall result in a binding contract without further action by either party.

(9) The Government may disclose the following information in postaward debriefings to other offerors:

(i) The overall evaluated cost or price and technical rating of the successful offeror;

(ii) The overall ranking of all offerors, when any ranking was developed by the agency during source selection;

(iii) A summary of the rationale for award; and

(iv) For acquisitions of commercial items, the make and model of the item to be delivered by the successful offeror.

(g) PROCEDURES FOR AWARDED FAILED 8(a) RESERVATIONS.

(1) The following requirements have been reserved for negotiations under the provisions of section 8(a) of the Small Business Act (Public Law 85-536).

<u>ITEM NUMBER</u>	<u>DELIVERY POINT</u>	<u>ULTIMATE DELIVERY TO</u>	<u>QUANTITY</u>
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N/A

(2) If this reservation does not result in a contract with the Small Business Administration under the 8(a) program, these items will be awarded to the successful offeror on the corresponding solicitation line item at the successful award price.

(h) **TYPE OF CONTRACT.** The Government contemplates award of a Requirements Type - Fixed Price with Economic Price Adjustment or a Firm-Fixed Price Indefinite Requirements Type contract, or a mixture of the two types, resulting from this solicitation, except for line items against which Basic Ordering Agreements will be awarded.

(i) **DATA UNIVERSAL NUMBERING SYSTEM (DUNS) NUMBER.** (Applies to offers exceeding \$25,000.) The offeror shall enter, in the block with its name and address on the cover page of its offer, the annotation "DUNS" followed by the DUNS number that identifies the offeror's name and address. If the offeror does not have a DUNS number, it should contact Dun and Bradstreet to obtain one at no charge. An offeror within the United States may call 1-800-333-0505. The offeror may obtain more information regarding the DUNS number, including locations of local Dun and Bradstreet Information Services offices for offerors located outside the United States, from the Internet home page at <http://www.dnb.com>. If an offeror is unable to locate a local service center, it may send and email to Dun and Bradstreet at globalinfo@mail.dnb.com.

(FAR 52.212-1, **tailored**/DESC 52.212-9F30)

K5	USE OF ELECTRONIC DATA INTERCHANGE (DESC MAY 1994)	OSP
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K85	DISCLOSURE OF OWNERSHIP OR CONTROL BY THE GOVERNMENT OF A TERRORIST COUNTRY (MAR 1998)	OSP
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M700	EVALUATION FOR AWARD (NATURAL GAS) (DESC MAR 1999)
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(a) BASIS FOR AWARD.

(1) Evaluation and contract awards will be made using Best Value Source Selection procedures. In using Best Value Source Selection procedures, the Government will evaluate price and other non-cost factors, to include Technical, Past Performance, and Socioeconomic Commitment. The relative importance of all evaluation factors, in descending order of importance, is as follows:

(i) Technical;

(ii) Past Performance;

(iii) Price; and

(iv) Socioeconomic Commitment.

Clause M700 CONTINUED

The non-cost evaluation factors (Technical, Past Performance, and Socioeconomic Commitment), when combined, are moderately more important than price.

- (2) Award will be made to the offeror representing the overall best value to the Government for the line item under consideration.

In determining best overall value, the Government will evaluate and rate each offeror's technical proposal, past performance, and socioeconomic commitment using preestablished standards. The offer(s) selected as the best value will represent the best tradeoff to the Government when comparing price against the non-cost factors. The Government may make award to other than the lowest priced offeror; however, the Government will not pay a premium that it considers disproportionate to the perceived benefits of the higher priced proposal. Final award selection will be made by the Source Selection Authority.

(b) DESCRIPTION OF NON-COST EVALUATION FACTORS.

(1) TECHNICAL.

(i) **Transportation Experience.** An offeror's transportation experience with natural gas over the interstate pipeline system and/or purchase history at the relevant Local Distribution Company (LDC), including historical volumes.

(ii) **Supply Management Experience.** An offeror's knowledge of providing supply management behind the LDC and on the interstate pipelines.

(2) PAST PERFORMANCE.

(i) The Government will evaluate the offeror's experience over approximately the last two years delivering similar requirements. In doing this, the Government may consider information in the offeror's Experience with Endusers Submission (attached to the solicitation) information obtained from other sources, including past and present customers and their employees, other subcontractors, and any others who may have useful information. A record of acceptable past performance will not result in a favorable assessment of an otherwise unacceptable proposal. An offeror without a record of relevant past performance, or for whom information on past performance is not available, will not be evaluated favorably or unfavorably.

- (ii) The subfactors listed below, which are equal to one another in importance, will be used to evaluate past performance:

(A) **Quality of Product or Service.** Assessment of the offeror's ability to conform to contract requirements, specifications, and standards of good workmanship.

(B) **Schedule.** Assessment of the offeror's ability to meet delivery schedules, to respond to administrative issues in a timely manner, and to complete a contract.

(C) **Business Relations.** Assessment of the offeror's commitment to maintaining an acceptable level of performance, customer satisfaction, and meeting small business, HUBZone small business, small disadvantaged business, and women-owned small business participation goals, as applicable. This includes the offeror's history of reasonable and cooperative behavior, participation in problem identification, and corrective action measures.

(3) **SOCIOECONOMIC COMMITMENT.** All offerors, regardless of business size, will be rated. Offerors demonstrating greater commitment to partnering and subcontracting with small businesses, HUBZone small businesses, small disadvantaged businesses, and women-owned small businesses by proposing a higher percentage, complexity level, and variety of participation by small businesses, HUBZone small businesses, small disadvantaged businesses, and women-owned small businesses will receive more favorable ratings. **NOTE:** Performance on current and prior contracts containing subcontracting with small businesses, HUBZone small businesses, small disadvantaged businesses, and women-owned small businesses will be part of the past performance evaluation only.

(c) EVALUATION OF PRICE.

(1) The Government will perform a price analysis to determine the reasonableness of proposed prices in accordance with FAR 15.404.

(2) The Government intends to evaluate price, by line item, based on the total cost of the solicitation schedule elements associated with the line item except the base supply price, indexed supply price, and indexed transport fuel factor costs (which are indicated in the Schedule with asterisks).

(3) The Government is not obligated to award any requirement where the awarded price, based on an economic price analysis, is not expected to provide savings when compared to the local distribution company.

(DESC 52.209-9F80)

Addendum #2: Post Award Contract Clauses

B700.100 ECONOMIC PRICE ADJUSTMENT - MARKET PRICE AND TRANSPORTATION (NATURAL GAS) (DESC MAR 1999) (REV)

(a) **WARRANTIES.** The Contractor warrants that--

(1) The unit prices set forth in the Schedule do not include allowances for any portion of the contingency covered by this clause; and

(2) The prices to be invoiced hereunder shall be computed in accordance with the provisions of this clause.

(b) **DEFINITIONS.** As used in this clause, the term--

(1) **Supply Index Price (SIP)** means the market price, expressed in dollars per dekatherm (Dth), that is equal to one MMBtu (1,000,000 British Thermal Units) specified in the publication/table listed in the SIP Table in (f)(1) below. It measures the general rate and direction of price movement for this commodity within a market. However, it does not indicate a mandatory source of supply or area where offerors must obtain gas supplies.

(2) **Adjustment Factor** means the mechanism whereby an offeror can offer fixed amounts (i.e., Supply Adjustment Factor and Transport Adjustment Factor) expressed in dollars per Dth, to reflect the offeror's expected cost variances, if any.

The Adjustment Factor (AF)- means the mechanism to compensate an offeror for costs, other than the SIP, along with all transportation-related charges, inclusive of the transportation Fuel Factor. Transportation-related charges include any pipeline tariff rate charges for transportation of product along the delivery path, to include charges from multiple pipelines and/or production areas if not covered in the supply index price, all additional charges in the tariff rates such as ACA and GRI charges, and any differential, either positive or negative, that accounts for the offeror's costs associated with transportation. The adjustment factor (AF) is composed of two factors: the Summer AF, which will be utilized in price escalation for deliveries from April 1 through October 31, and the Winter AF, which will be utilized in price escalation for deliveries from November 1 through March 31.

(3) **Local Distribution Company (LDC)** means the local public utility, operating in a generally franchised area, without competition, that transports gas over its own distribution lines from the receipt of natural gas at its interconnection points with the interstate or intrastate pipeline.

(4) **Contract Unit Price** for deliveries from April 01 to October 31 means the sum of the contract's SIP and Summer AF. Contract unit price for deliveries from November 01 to March 31 means the sum of the contract's SIP and Winter AF.

(5) **Estimated Unit Price** means the Government estimate of the Contract Unit Price for supplies to be delivered in the following month and the LDC cost of transporting the direct supply natural gas from the citygate to burnertip.

(c) **ADJUSTMENTS.** Contract price adjustments shall be provided via notification through contract modification and/or posting to the DESC web page under the heading "Doing Business with DESC". Subject to provisions of this clause, the prices payable hereunder shall be the contract unit price modified if applicable pursuant to this clause, less any transportation discounts afforded the Government in accordance with the TRANSPORTATION DISCOUNTS AND REFUNDS clause.

(1) **NOTIFICATIONS.**

(i) If the offeror submitted worksheets along with its offer that included a breakdown of transportation costs that clearly show how the transportation costs were derived, then the offeror will be entitled to request an equitable adjustment under the contract to reflect an increase or decrease in the pipeline tariff rates in accordance with the TRANSPORTATION DISCOUNTS AND REFUNDS clause. If an offeror chooses not to submit worksheets, the transportation costs will remain fixed throughout any resultant contract regardless of increases or decreases in published tariff rates.

(2) **CALCULATIONS.**

(i) All numbers used in or derived through calculations prescribed by this clause shall be rounded to six places.

(ii) If the SIP is an average of the published prices and any published price was not published for that date, the applicable remaining prices published for that date shall be used to determine the average.

(3) **PRICE ADJUSTMENTS.** In accordance with the following conditions and other provisions of this clause:

(i) One contract notification shall be executed each month designating the contract's SIP and the applicable fixed adjustment factor (Summer AF or Winter TAF).

(ii) For monthly contract modifications, the SIP shall be the first price that is effective in each month as it appears in the applicable publication identified in the SIP Table in (f)(1) below.

(iii) The monthly contract modification and revised unit prices shall apply to all deliveries made on or after the first day of the month in which the SIP was determined and shall remain in effect the remainder of the month.

(4) **FAILURE TO DELIVER.** Notwithstanding any other provisions of this clause, no upward adjustment shall apply to gas scheduled under the contract to be delivered before the effective date of the adjustment, unless the Contractor's failure to deliver according to the delivery schedule results from causes beyond the Contractor's control and without its fault or negligence, within the meaning of paragraphs (f), Excusable Delays, and (m), Termination for Cause, of the CONTRACT TERMS AND CONDITIONS -- COMMERCIAL ITEMS clause of this contract, in which case the contract shall be amended to make an equitable extension of the delivery schedule.

Clause B700.100 CONTINUED

(5) **UPWARD CEILING ON ECONOMIC PRICE ADJUSTMENTS.** The ceiling price limitation, Alternative I, is described below:

ALTERNATIVE I

(i) The Contractor agrees that any increase in the contract unit price pursuant to this clause shall not exceed 55 percent of the contract unit price effective at time of award.

(ii) If, at any time, the Contractor has reason to believe that within the near future a price adjustment required under this clause will exceed the current contract ceiling for the item(s) in question, the Contractor shall notify the Contracting Officer of the expected increase. At the same time, the Contractor shall propose a revised ceiling sufficient to permit completion of remaining contract performance. Contractor's proposal shall be supported by appropriate explanations and documentation as required by the Contracting Officer.

(iii) If an actual increase in the market price would raise the contract unit price for an item above the current ceiling, the Contractor shall have no obligation under this contract to fill pending or future orders for such item, as of the effective date of the increase, until the Contracting Officer issues verbal notification, followed by contract modification, that the ceiling will or will not be raised. In the case where the Contractor receives confirmation that the ceiling will be raised, the Contractor is expected to continue performance.

(6) **REVISION OF MARKET PRICE INDICATOR.** If any applicable market price indicator is discontinued or its method of derivation is altered substantially; or the Contracting Officer determines that the market price indicator consistently and substantially failed to reflect market conditions, the parties shall mutually agree upon an appropriate and comparable substitute and the contract shall be modified to reflect such substitute effective on the date the indicator was discontinued, altered, or began to consistently and substantially fail to reflect market conditions. If the parties fail to agree on an appropriate substitute, the matter shall be resolved in accordance with paragraph (d), Disputes, of the CONTRACT TERMS AND CONDITIONS -- COMMERCIAL ITEMS clause of the contract.

(d) **FINAL INVOICE.** The Contractor shall include a statement on the final invoice that the amounts invoiced hereunder have applied all decreases required by this clause.

(e) **EXAMINATION OF RECORDS.** The Contractor agrees that the Contracting Officer or designated representative shall have the right to examine the Contractor's books, records, documents, and other data the Contracting Officer deems necessary to verify Contractor adherence to the provisions of this clause.

(f) TABLES.

(1) The SIP Table is as follows:

I Item No.	II Delivery Point	III Publication/Table	IV Pipeline where SIP is applicable	V Location where SIP is applicable	VI Applicable ceiling provision	VII Supply Index Price
2040/2240	FOB ARKLA Gas Co.	<i>Inside F.E.R.C.'s Gas Market Report, "Prices of Spot Gas Delivered To Pipeline"</i>	Reliant Energy Gas Transmission	East	Alternative I	February 2000 \$2.52

(2) Clarification of relevant terms:

Inside FERC: Inside FERC's Gas Market Report, "Prices of Spot Gas Delivered to Pipeline"

NGI: Natural Gas Intelligence, "Spot Gas Prices Table" (unless another table is mentioned, e.g., "Canadian Spot Market Prices Table")

Gas Daily: Gas Daily, "Monthly Contract Index"

ACA: Annual Charge Account

GRI: Gas Research Institute

(DESC 52.216-9FAW)

B702 PRICE COMPONENTS - FIRM-FIXED-PRICE (NATURAL GAS) (DESC MAR 1999)

(a) The firm-fixed-price portion of an awarded line item will consist of the following pricing components:

(1) **BASE PRICE.** The Government shall establish a base price for the firm-fixed-price portion for each line item as listed in (b) below. The base price will remain fixed for the duration of the contract.

(2) **FIRM-FIXED-PRICE SUPPLY ADJUSTMENT FACTOR** means the mechanism whereby an offeror can adjust the base price by a fixed amount, expressed in dollars per Dth to reflect variances, if any, from the base price. The firm-fixed-price supply adjustment factor can be positive, negative, or zero and will remain fixed for the duration of the contract.

(3) **FIRM-FIXED-PRICE TRANSPORTATION FACTOR** means the mechanism whereby an offeror accounts for all transportation related charges, including transportation fuel loss, required to deliver natural gas to the designated delivery point. The firm-fixed-price transportation factor will remain fixed for the duration of the contract provided there is no change in the delivery pipeline's transportation tariff rate. If there is a change in the pipeline tariff rates and the Contractor provided with its final proposal revision a worksheet demonstrating that the pipeline's tariff rate was used to establish the offered firm-fixed-price transportation factor, the Contractor may submit a claim to have the firm-fixed-price transportation factor adjusted to reflect the change in the pipeline tariff.

(b) The **contract price** means the sum of the base price, the firm-fixed-price supply adjustment factor, and the firm-fixed-price transportation factor. The summer base price, summer firm-fixed-price adjustment factor, and summer firm-fixed-price transportation factor will be in effect from April through October or any portion thereof. The winter base price, winter firm-fixed-price supply adjustment factor, and winter firm-fixed-price transportation factor will be in effect from November through March or any portion thereof.

(c) The base price for the submission of offers is as follows:

Line Item	
<u>Number</u>	<u>Base Price</u>
For All Line Items	\$2.52
With Firm Fixed Pricing	
For Supply	

The "base price" is the simple average (arithmetic mean) of the closing prices for the New York Mercantile Exchange Henry Hub natural gas futures contracts for the months of April 2000 through September 2000 inclusive. The prices are as reported in the February 10, 2000 "Gas Daily" for the February 9, 2000 NYMEX trading session.

(d) If award is not made on initial offers prior to the deadline for submission of final proposal revisions, the Government may revise the base supply price. If no base supply price is contained in the call for final offers, the initial base supply price shall be used for final offers.

(DESC 52.216-9F70)

G9.06 ADDRESS TO WHICH REMITTANCE SHOULD BE MAILED (DESC OCT 1997) OSP

G9.14 SUBMISSION OF ELECTRONIC FUNDS TRANSFER INFORMATION WITH OFFER (MAY 1999) OSP

G700 SUBMISSION OF INVOICES FOR PAYMENT (NATURAL GAS) (DESC MAR 1999)

(a) Invoices for payment for supplies delivered under the contract shall be submitted in accordance with this clause and paragraph (i), Payment, of the CONTRACT TERMS AND CONDITIONS - COMMERCIAL ITEMS clause.

(b) **DEFINITIONS.**

(1) **Designated Billing Office (DBO).** The designated point of receipt for the Contractor's invoice at which the net 30-day payment period begins for payment and interest purposes. The DBO may be the address of the Ordering/Certifying Official or the Designated Payment Office (DPO) where the actual payment will be made.

(2) **Payment Office.** The location where payment is made to the Contractor either via check or electronically. Some payment offices mandate receipt of the original invoice, even though they are not the DBO by definition.

(3) **Ordering/Certifying Office.** The office of the official responsible for checking and certifying the Contractor's invoice for payment. When the address is also the DBO, it will be identified by an "(X)".

(c) The Contractor's invoice shall be dated and postmarked no earlier than the first day of the month following the month of delivery and submitted to the DBO for each installation as specified by subline item number in the Address Table in (m) below. The Contractor must follow the distribution instructions in the Address Table. If the Government requires additional invoices for individual subline items, the number required and the address to remit them to will then be provided in the Address Table.

Clause G700 CONTINUED

(d) The Contractor is responsible for providing to the Ordering/Certifying Office pipeline documentation that evidences quantities delivered each month. If such documentation cannot be provided in sufficient time for payment to be processed in accordance with the contract, the Government shall pay the Contractor's invoice based on the total nominated monthly quantity, as adjusted, less any known nondelivery by the Contractor. However, once the delivery documentation provided by the pipeline is available, the Contractor shall submit such documentation to the Ordering/Certifying Office and adjust the next invoice submitted to the Government to reflect any discrepancies from quantities previously invoiced and paid for by the Government. The Contractor shall indicate on the final invoice that all adjustments to previously invoiced quantities have been made. Any adjustments shall be clearly described as to the month to which the adjustment applies, quantity, and price.

(e) The Government has the right to--

(1) Unilaterally adjust downward quantities indicated on the Contractor's invoice if documentation available to the Government indicates that a quantity received on behalf of the installation is less than the quantity invoiced by the Contractor; and

(2) Adjust future payments due the Contractor if any previous quantity for which the Contractor invoiced and was paid is determined to be inaccurate.

(3) The Ordering/Certifying Official shall provide the Contractor with an explanation of the reasons for any adjustment under (1) and (2) above. The Contractor shall direct all disputes related to invoice adjustments to the DESC Contracting Officer.

(f) The Contractor's invoice shall reflect, by subline item, the price elements applicable to the subline item as set forth in the contract and its modifications, which are applicable to the delivery. Invoicing procedures involving excess Government-owned firm capacity and any resulting credits (or debits) to the monthly demand charge shall be as described in detail in paragraph (i) of the DELIVERIES AND PERFORMANCE clause.

(g) When payment due date falls on a Saturday or Sunday, or on a United States Official Federal Holiday, payment will be due and payable on the following workday.

(h) The Contractor warrants that the prices invoiced are computed in accordance with the terms of the contract.

(i) The Contractor shall indicate on each invoice, when it has received an interstate transportation discount, the percentage of the discount passed on to the Government in accordance with the TRANSPORTATION DISCOUNTS AND REFUNDS clause.

(j) In accordance with paragraph (i), Payment, of the CONTRACT TERMS AND CONDITIONS - COMMERCIAL ITEMS clause, the due date for making invoice payments by the DPO, for delivery of direct supply natural gas, shall be the later of the following two events:

(1) The 30th day after the DBO has received a proper invoice from the Contractor; or

(2) The 30th day after Government acceptance of supplies delivered or services performed by the Contractor.

(k) Acceptance of natural gas supplies shall be documented on one of the following forms:

(1) Contractor's facsimile invoice;

(2) DD Form 1155;

(3) DDForm 250; or

(4) SF 1449

(l) With regard to paragraph (k) above, and notwithstanding the date delivered quantities were documented and certified by the Ordering/Certifying Officer on one of the forms identified in (k) above, acceptance of direct supply natural gas under the contract shall be deemed to have occurred no later than the 7th day after the end of the month in which the Contractor has delivered gas in accordance with the terms and conditions of the contract, unless there is a disagreement over quantity, quality, or Contractor compliance with a contract requirement.

Clause G700 CONTINUED

(m) ADDRESS TABLE.

SUBLINE ITEM	DBO	DIST. TYPE *	INVOICE/CERTIFYING OFFICE	DBO	DIST. TYPE *	PAYMENT OFFICE	DESC-A**
2040/2240	(X)	F	ATTN: DARIN BAILEY 314 CES/CER 528 THOMAS AVENUE, SUITE 116 LITTLE ROCK AFB, AR 72099 PHONE: (501) 987-3394 FAX: (501) 987-3423		O	VENDOR PAY DFAS-OM/FPC/C P O BOX 7020 BELLEVUE, NE 68005 PHONE: (402) 232-3105 FAX: (402) 232-3468	F

***DISTRIBUTION TYPE:**

O = ORIGINAL INVOICE

C = INVOICE COPY BY MAIL; 2C = 2 INVOICE COPIES

F = FAXED INVOICE COPY

N/A = NO SEPARATE SUBMISSION REQUIRED.

**DESC-A = THE CONTRACT ADMINISTRATOR LISTED IN THE ADDRESS SPECIFIED IN BLOCK 9 OF THE SF 1449 (CONTRACT).

(DESC 52.232-9FD5)

11.20 CLAUSES INCORPORATED BY REFERENCE (DESC OCT 1999)

(a) This document incorporates one or more clauses by reference, with the same force and effect as if they were given in full text. Upon request, the Contracting Officer will make their full text available. Also, the full text of any FAR, DFARS or DLAD clause may be accessed electronically at these addresses:

FAR/DFARS: <http://farsite.hill.af.mil>
FAR/DFARS: <http://www-far.npr.gov>
DLAD: <http://www.procregs.hq.dla.mil/icps.htm>

(b) All DESC clauses are contained in full text in this document.

(DESC 52.252-9F08)

1190.04 MATERIAL SAFETY DATA SHEETS -- COMMERCIAL ITEMS (DESC MAR 1996)

(a) The apparently successful offeror agrees to submit, for each item prior to award, a Material Safety Data Sheet (MSDS), meeting the requirements of 29 CFR 1910.1200(g) and the latest version of Federal Standard No. 313, for all items to be delivered under this contract. Data shall be submitted in accordance with Federal Standard No. 313, whether or not the apparently successful offeror is the actual manufacturer of these items. Failure to submit the MSDS prior to award may result in the apparently successful offeror being considered nonresponsible and ineligible for award.

(b) If, after award, there is a change in the composition of the item(s) or a revision to Federal Standard No. 313, that renders incomplete or inaccurate the data submitted under paragraph (a) of this clause, the Contractor shall promptly notify the Contracting Officer and resubmit the data.

(c) The Contractor shall submit MSDSs to the Contracting Officer. MSDSs must cite the solicitation number, the applicable CAGE code of the manufacturer, and, where so identified, the National Stock Number (NSN).

Clause I90.04 CONTINUED

(d) The offeror need not submit a duplicate MSDS for a product for which the offeror has submitted an MSDS within the past five years. The MSDS of record must fully comply with the latest revision of FED-STD-313, and the data on the MSDS must still be current and complete. Should the description/composition of the product offered differ in any area specified on a previously submitted MSDS, a new MSDS is required.

(DESC 52.223-9F05)

I209.08 EXTENSION PROVISIONS (NATURAL GAS) (DESC MAY 1997)

(a) For line items priced as Fixed-Price with Economic Price Adjustment, the Government reserves the right to unilaterally extend performance, one or more times, in accordance with the existing contracting terms and provisions, so long as the total additional performance does not exceed six months.

(b) For line items priced as Firm-Fixed-Price, the Government may request extension of performance, one or more times, at the existing fixed price and in accordance with the existing contract terms and provisions, so long as the total additional performance does not exceed six months. If the Contractor declines to extend at the existing price, the Government may propose a new firm-fixed-price for the extension. Extension of Firm-Fixed-Price line items must be accomplished by agreement of all parties (bilateral modification). Failure to agree will result in expiration of the contract at the end of the current performance period.

(c) Notice of unilateral contract extension or request for bilateral extension will be furnished to the Contractor not later than 45 days prior to the expiration of the contract or any extension thereof. However, nothing in this clause precludes the Contractor from agreeing to an extension of the contract if the Government fails to issue the notice prior to the 45 days.

(d) The foregoing extensions may be exercised by the Government--

- (1) Where continued performance is required until a follow-on contract is awarded;
- (2) In the event a follow-on contract has been awarded, until a succeeding Contractor is positioned to commence performance;
- (3) Where the Government decides that follow-on services will be performed by the LDC; or
- (4) Where the Government terminates for cause a contract for follow-on supplies prior to the commencement of performance

by the follow-on Contractor.

(e) Extension of this contract shall be considered to have been accomplished at the time the Government deposits written notification to the Contractor in the mail or provides such notification by facsimile transmission.

(DESC 52.217-9F30)

I700 GAS ORDERING PROCEDURES (DESC MAR 1999)

(a) The Government shall order quantities of direct supply natural gas consistent with its estimated monthly requirements. Each installation will determine the duration of the order, with an order being no less than one month and no greater than one year. In no event shall an order continue beyond the contract delivery period as stated in the Schedule for each individual contract line item, unless the DESC Contracting Officer has extended the contract pursuant to the EXTENSION PROVISIONS clause. An installation which has an Alternative II ceiling provision (see paragraph (g) of the ECONOMIC PRICE ADJUSTMENT clause) will only issue monthly orders.

(b) The Government shall notify the Contractor of the ordered volumes of gas for any given period at least one working day prior to the 25th calendar day of the month preceding delivery. The Contractor, in turn, shall nominate the Government's requirement(s) to the pipeline prior to the applicable local distribution company (LDC) and/or Pipeline Nomination Deadline Date. If required, the Contractor shall nominate daily volumes of gas to be delivered under the contract to the pipeline and/or LDC. For those line items that require firm delivery, the Contractor shall prudently prorate deliveries throughout the month, unless the Government specifically notifies the Contractor otherwise. If the Schedule contains both a firm and a limited interruptible line item, volumes ordered in excess of the maximum daily quantity (MDQ) for firm delivery shall be delivered on an interruptible basis or a limited interruptible basis.

(c) Orders may be issued in writing, orally, or by written telecommunications, and confirmed by a written delivery order, within 24 hours after issuance of the verbal order. The ordering office's failure to issue a written delivery order, or the Contractor's failure to receive a written delivery order, does not relieve the Contractor from its obligation to perform in accordance with the oral order. Ordering, nomination, and adjustment of quantity (balancing) procedures shall comply with applicable LDC and interstate transportation procedures/agreements. (Ordering Officers shall place an order even if the quantity is zero.)

(d) If requested by the Contracting Officer, after the pipeline nomination deadline for a given month but prior to beginning deliveries for that month, the Contractor shall furnish, in writing to the Contracting Officer, the following: the exact source of supply for each installation, receipt point on the pipeline, and all points of interconnection, and transportation agreement numbers, including owners of such agreements.

(e) During the month of delivery, the Government, at its option and at no cost to the Government, may revise or swing upwards or downwards on a daily basis, the amount to be delivered under the contract, within or equal to 10 percent of the original ordered monthly firm quantity and/or 25 percent of the original ordered quantity of gas to be delivered on an interruptible basis or a limited interruptible basis. For installations

Clause I700 CONTINUED

that require load management, the Ordering Officer shall order the estimated quantity determined to be the Government's requirement but obligate additional funds for quantities to include the above percentages to allow the Contractor to deliver and balance without the written consent of the Ordering Officer. Installations that do not require load management may also obligate funds to include the swing percentages, at the discretion of the Ordering Officer. For firm delivery, notwithstanding a revision to the delivery order as described in this clause, the entire demand charge included in the Contractor's proposal and as specified in the Schedule, will be reimbursed up to the MDQ stated in the DELIVERIES AND PERFORMANCE clause. Adjustments to ordered firm quantities that are greater than plus or minus 10 percent of the originally ordered monthly quantity and adjustments to ordered interruptible quantities or limited interruptible quantities that are greater than plus or minus 25 percent of the originally ordered monthly quantity require mutual agreement between the Contractor and the DESC Contracting Officer. Examples of situations that may precipitate a change in the Government's requirement include, but are not limited to, changes in the weather, failure of Government equipment, and use of alternative energy sources, such as coal or heating oil.

(f) Questions arising from individual delivery orders shall be addressed to the individual Ordering Officer. Any failure to resolve issues resulting from an individual delivery order shall be referred to the DESC Contracting Officer.

(g) Accounting and appropriation data will be set forth on individual delivery orders issued under the contract. Funds shall be obligated for the entire quantity stated on the delivery order.

(h) The following Ordering Offices are authorized to issue orders hereunder:

<u>LINE ITEM/ SUBLINE ITEM NO.</u>	<u>ORDERING OFFICE</u>
2040/2240	ATTN: Darin Bailey 314 CES/CEOE 536 Thomas Avenue Little Rock AFB, AR 72009-5000 (501) 987-6704 (501) 987-6334 FAX

(DESC 52.216-9FD1)

ADDITIONAL FAR/DFARS CLAUSES WHICH ARE INCORPORATED BY REFERENCE:

FAR 52.203-3 - Gratuities

FAR 52.203-10 - Price or Fee Adjustment for Illegal or Improper Activity

FAR 52.219-16 - Liquidated Damages – Subcontracting Plan

FAR 52.232-17 - Interest

DFARS 252.225-7009 - Duty Free Entry – Qualifying Country End Products and Supplies